## AMENDED IN ASSEMBLY APRIL 30, 2009 AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009-10 REGULAR SESSION

## ASSEMBLY BILL

No. 609

## **Introduced by Assembly Member Conway**

February 25, 2009

An act to add Section 31720.2 to the Government Code, relating to county employees' retirement.

## LEGISLATIVE COUNSEL'S DIGEST

AB 609, as amended, Conway. County employees retirement: disability retirement. administrative costs.

The County Employees Retirement Law of 1937 requires a board of retirement, or a board of retirement and the board of investment, with appointed members to annually adopt a budget covering the entire expense of administration of the retirement system and prohibits the expense incurred in any year from exceeding a specified percentage of the total assets of the retirement system.

This bill would state the intent of the Legislature to examine the advisability of linking, in statute, the administrative budget of a board of retirement, or a board of retirement and a board of investment, operating under the County Employees Retirement Law of 1937, to the value of the assets of the retirement system.

Existing law provides that a member of a county or district retirement system subject to the County Employees Retirement Law of 1937 shall be retired for disability if he or she is permanently incapacitated for the performance of duty and either the incapacity arose out the member's employment, as specified, or the member has 5 years of service.

-2-**AB 609** 

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This bill would instead provide that a member of the county retirement system in Tulare County shall be retired for disability only if he or she is unable permanently to engage in any substantial gainful employment with the county and either the incapacity arose out of the member's employment or the member has 5 years of service. The bill would not apply to safety members.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. It is the intent of the Legislature to examine the advisability of linking, in statute, the administrative budget of a board of retirement, or a board of retirement and a board of 4 investment, operating under the County Employees Retirement 5 Law of 1937, to the value of the assets of the retirement system.
- 6 SECTION 1. Section 31720.2 is added to the Government Code, to read:
  - 31720.2. (a) Notwithstanding Section 31720, any member who is permanently incapacitated, as defined in subdivision (b), shall be retired for disability regardless of age only if either of the following apply:
  - (1) The member's incapacity is substantially caused by injury or disease arising out of and in the course of the member's employment.
    - (2) The member has completed a total of five years of service.
  - (b) For the purpose of this section, "permanently incapacitated" means that the member is unable permanently to engage in any substantial gainful employment with the county.
  - (c) This section shall apply only in Tulare County and does not apply to safety members.